



CITY OF BOULDER  
Department of Public Works/Utilities Division/Office of Water Conservation  
5605 63<sup>rd</sup> St.  
Boulder, Colorado 80301  
(303)413-7407 Phone  
(303)530-1137 Fax.

## Zero in on Xeriscape

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### SAMPLE LOAN AGREEMENT

This Loan Agreement is made **this 3<sup>rd</sup> day of October, 2006**, (“Agreement”) by and between the City of Boulder, a Colorado home rule city (“City”), and **[insert your name and address here]** (“Customer”)

#### RECITALS

A. The City of Boulder has created a zero interest loan program to provide funds to the customers of the City of Boulder Water Utility Services for the replacement of appliances and for re-landscaping to increase water efficiency through the Zero in on Xeriscape Program (“Program”).

B. The Customer is the owner of certain real property legally described as: **[insert legal description here]**, and commonly known as **[insert your street address here]** (“Property”).

C. The Customer desires to make certain improvements to the Property, as described in the Customer’s loan application dated **[insert date here]**. The City agrees to loan Customer a total of **\$3000.00 [insert amount here]** at zero interest for **3 years [state term of loan here]**.

D. To secure payment of the loan the Customer has signed a Promissory Note dated **[insert date here]**, and agrees to enter in this Agreement to secure payment of the Promissory Note.

#### COVENANTS AND CONDITIONS

In consideration of the promises and obligations set forth below, the City and the Customer agree as follows:

- 1. Acknowledgment of Debt.** The Customer acknowledges that the principal sum of **three thousand dollars[spell out dollar amount](\$3000)** is owed to the City pursuant to the Promissory Note and agrees to make the improvements to the Property as described in the Customer’s loan application dated **[insert date here]**.
- 2. Payments.** The Customer agrees to make all payments under this Agreement securing payment of all amounts owing to the City under the Promissory Note. The City will not release the Promissory Note until the full amount under the Promissory Note is paid in full to the City.
- 3. Remedies upon Default.** In the event of a default by the Customer in the terms and conditions of the Promissory Note and/or the terms and conditions of this Agreement, the parties agree that the City has the right to terminate water service to the Property. Additionally, this Agreement may be enforced by (1) filing an action in Boulder County District Court for enforcement of this Agreement; or (2) by certification to the Treasurer of Boulder County in a manner provided for in Section 2-2-12, B.R.C. 1981, as if said monies were due and owing pursuant to a duly adopted ordinance of the City. Customer agrees

to waive any rights they may have under Section 31-20-105, C.R.S., based on the City's lack of an enabling ordinance authorizing collection of this specific debt.

4. Acceleration of Indebtedness. If the Property is sold or transferred, except by a transfer by devise, descent or by operation of the law upon the death of a joint tenant; the City will declare all sums secured in this Agreement to be immediately due and payable under the Promissory Note.

5. Warranty of Title. The Customer covenants and agrees with the City that at the time of execution of this Agreement that the Customer is well seized of the Property in fee simple and has good right, full power and lawful authority to grant, bargain, sell and convey the Property and to enter in to this Agreement.

6. Relationship with Contractor. The City assumes no responsibility for the quality of work performed by the contractor the Customer selects to complete the work, or for any other action or inaction on the part of the Customer's contractor, including any agents, employees, or subcontractors of the contractor. Customer shall be solely responsible for resolution of any problems arising out of, or related to, the work performed by Customer's contractor.

7. No Assignment. Neither party shall assign, sublet, or transfer any interest in this Agreement without the written consent of the other.

8. Attorney's Fees. If there is a default in the payment or performance of this Agreement, the defaulting party shall pay the other party's attorneys fees and costs, even though no suit or action is filed, as well as any other fees or expenses incurred by the non-defaulting party.

9. Amendment. No amendment or modification shall be made to this Agreement unless it is in writing and signed by both parties.

10. Governing Law. This Agreement is governed by the laws of the State of Colorado. Any suit between the parties arising under this Agreement shall be brought only in a court of competent jurisdiction for the Twentieth Judicial District of the State of Colorado.

CITY OF BOULDER, a Colorado  
home rule city

CUSTOMER

By: \_\_\_\_\_  
City Manager

By: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
City Clerk on behalf of the  
Director of Finance and Record

Approved as to form:

\_\_\_\_\_  
City Attorney

(ACKNOWLEDGMENT FOLLOWS)

STATE OF COLORADO       )  
                                          ) ss.  
COUNTY OF BOULDER       )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_,  
20\_\_\_\_, by \_\_\_\_\_.  
                  (name of applicant)

Witness my hand and official seal.

My commission expires:

\_\_\_\_\_  
Notary Public